

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0654-02
Bill No.: Perfected HCS for HB 344
Subject: Marriage and Divorce; Medical Procedures and Personnel; Health Care; Social Services Department
Type: Original
Date: April 23, 2013

Bill Summary: This proposal requires MO HealthNet reimbursement for certain services based on the new behavior assessment and intervention codes under the Current Procedural Terminology (CPT) coding system.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	\$0 to (\$73,217)	\$0 to (\$76,072)	\$0 to (\$79,039)
Total Estimated Net Effect on General Revenue Fund	\$0 to (\$73,217)	\$0 to (\$76,072)	\$0 to (\$79,039)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Federal *	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

* Income and expenditures net to \$0.

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Social Services (DSS) - MO HealthNet Division (MHD)** state if the proposed legislation is enacted, MHD would reimburse for behavior assessment and intervention codes 96150 to 96155. MHD does not currently reimburse for these codes, so a cost would be incurred. MHD anticipates the reimbursement for these codes would be 60% of the Medicare rate. Medicare does not reimburse for code 96155 so that code was left out of the analysis. The average Medicaid rate for codes 96150 through 96154 weighted for utilization would be \$10 per unit. Medicare does reimburse for codes 96150 through 96154 and MHD pays for the Medicare deductible and coinsurance related to these codes for dual-enrolled (Medicare and Medicaid) individuals.

In FY 12, MHD paid the coinsurance and deductibles on 3,270 units. The number of dual enrolled participants in December 2012 was 136,480. The number of claims billed per dual-enrolled is 0.024 claims (3,270 units / 136,480 participants). The number of MHD participants who are eligible for the services covered by codes 96150 through 96154 was 741,036 in December 2012. The estimated number of units which would be billed to MHD is 17,785 (741,036 participants X 0.024 units) annually. Therefore, the estimated FY 12 cost would be \$177,850 (17,785 units x \$10). The FY 12 cost was inflated by 3.9% annually to arrive at the FY 14 through FY 16 annual costs.

The proposed legislation has an emergency clause and will begin July 1, 2013.

This legislation is subject to appropriation, so the cost is stated as a range.

FY 14: Total \$0 to \$191,993 (GR \$0 to \$73,217; Federal \$0 to \$118,776)

FY 15: Total \$0 to \$199,481 (GR \$0 to \$76,072; Federal \$0 to \$123,409)

FY 16: Total \$0 to \$207,261 (GR \$0 to \$79,039; Federal \$0 to \$128,222)

Officials from the **Department of Mental Health (DMH)** state beginning July 1, 2013 and subject to appropriations, Section 208.152 requires MO HealthNet to reimburse providers of behavioral, social, and psychophysiological services for the prevention, treatment, or management of physical health problems for behavioral assessments and intervention, which is Current Procedural Terminology (CPT) codes 96150 to 96155.

Although these specific CPT codes are not currently covered by DMH, but would be reimbursed through MO HealthNet, the proposal has no fiscal impact to the DMH.

ASSUMPTION (continued)

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration** and **Department of Health and Senior Services** each assume the proposal would not fiscally impact their respective agencies.

FISCAL IMPACT - State Government FY 2014 FY 2015 FY 2016

GENERAL REVENUE FUND

Costs - DSS-MHD

State share of additional Medicaid services	<u>\$0 to (\$73,217)</u>	<u>\$0 to (\$76,072)</u>	<u>\$0 to (\$79,039)</u>
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**ESTIMATED NET EFFECT ON THE
GENERAL REVENUE FUND**

<u>\$0 to (\$73,217)</u>	<u>\$0 to (\$76,072)</u>	<u>\$0 to (\$79,039)</u>
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FEDERAL FUNDS

Income - DSS-MHD

Increased program reimbursements	\$0 to \$118,776	\$0 to \$123,409	\$0 to \$128,222
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Costs - DSS-MHD

Increased program expenditures	<u>\$0 to (\$118,776)</u>	<u>\$0 to (\$123,409)</u>	<u>\$0 to (\$128,222)</u>
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**ESTIMATED NET EFFECT ON
FEDERAL FUNDS**

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Local Government FY 2014 FY 2015 FY 2016

<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

Small business mental health providers may experience an increase in revenue for services provided for CPT Codes 96150 through 96154 if they are Medicaid providers.

HWC:LR:OD

FISCAL DESCRIPTION

Beginning July 1, 2013, and subject to appropriations, this proposal requires the MO HealthNet Division within the Department of Social Services to reimburse eligible providers of behavioral, social, and psychophysiological services, including psychologists. The services provided should include the prevention, treatment, or management of physical health problems, and providers must be reimbursed utilizing the behavior assessment and intervention reimbursement codes under the Current Procedural Terminology coding system.

The proposal contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions,
and Professional Registration
Department of Mental Health
Department of Health and Senior Services
Department of Social Services -
MO HealthNet Division



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Acting Director
April 23, 2013